



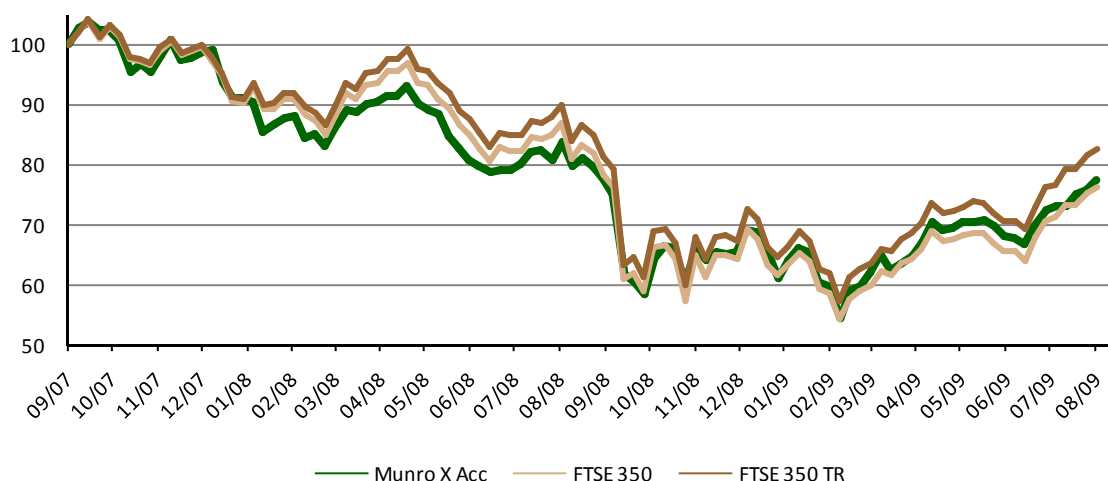
**Fund Objective**

The Munro Fund seeks to deliver the total return of the FTSE 350 index through its unique process of creating a tracker fund using forecast gross cash dividends to construct the portfolio.

**Fund Manager's Comment**

For the second month running the forecast for gross dividends to be paid next year by companies in the FTSE 350 has increased. This time the gain was 2.9% and was partly driven by a 2.4% rise in the dollar against sterling. Another significant factor was that following annual results from BHP Billiton its forecasts in the model are now based on the year ending June 2011. The improved sentiment was captured in the 6.3% increase in the FTSE 350 Index over the month. Increased dividend forecasts were seen from a variety of companies including Anglo American, AstraZeneca, Barclays, Diageo, ENRC, HSBA, Intermediate Capital, Standard Chartered and Xstrata. Trading over the month was confined to a little rebalancing and the sale of Thomson Reuters ahead of its delisting from the London Stock Market and the purchase of Smith & Nephew, Johnson Matthey and Petrofac.

**Munro X Acc Prices**



**Returns**

	Since Launch	12 Month	6 Months	3 Months	1 Month
Munro X Acc	-23.5%	-8.6%	28.2%	8.5%	4.5%
FTSE 350 Index	-24.7%	-13.4%	27.7%	7.5%	5.0%
FTSE 350 TR Index	-18.5%	-9.6%	30.8%	8.6%	5.6%

**Tracking Error**

**13.77**

A measure of how closely a portfolio follows the index. It measures the standard deviation of the difference between the portfolio and index returns over one year. A low tracking error means a portfolio is closely following its benchmark.

**Excess Return**

**-1.42**

The return on the fund minus the return on the benchmark. The higher the excess return the more the fund has outperformed the index. N.B. This measure takes no account of risk.

**Information Ratio**

**-0.10**

The excess return divided by the tracking error. A measure of risk adjusted performance which gives the average performance per unit of volatility against the benchmark. The higher the ratio, the higher the return of the fund for the risk taken.

**Beta**

**0.83**

A measure of a fund's volatility relative to that of its benchmark. Beta is the percent change in the price of the fund given a 1% change in the benchmark. This reveals if the fund moves in line with the benchmark with a beta of 1 indicating perfect alignment. It can also be used as a measure of risk: the higher the beta, the higher the risk.

**Alpha**

**-0.03**

The mathematical estimate of the return on a fund when the return on the benchmark is zero.

**Yield**

**3.0%**

Based on dividends paid and income received to date for future pay-out.

Source: Bloomberg. All ratios are for trailing 12 months as at 01/09/09.

**DISCLAIMER:**

- THE VALUE OF YOUR SHARES AND THE INCOME FROM THEM CAN GO DOWN AS WELL AS UP AND YOU MAY GET BACK LESS THAN YOU INVESTED.
- PAST PERFORMANCE IS NOT A GUIDE TO THE FUTURE.

## Top 50 Holdings

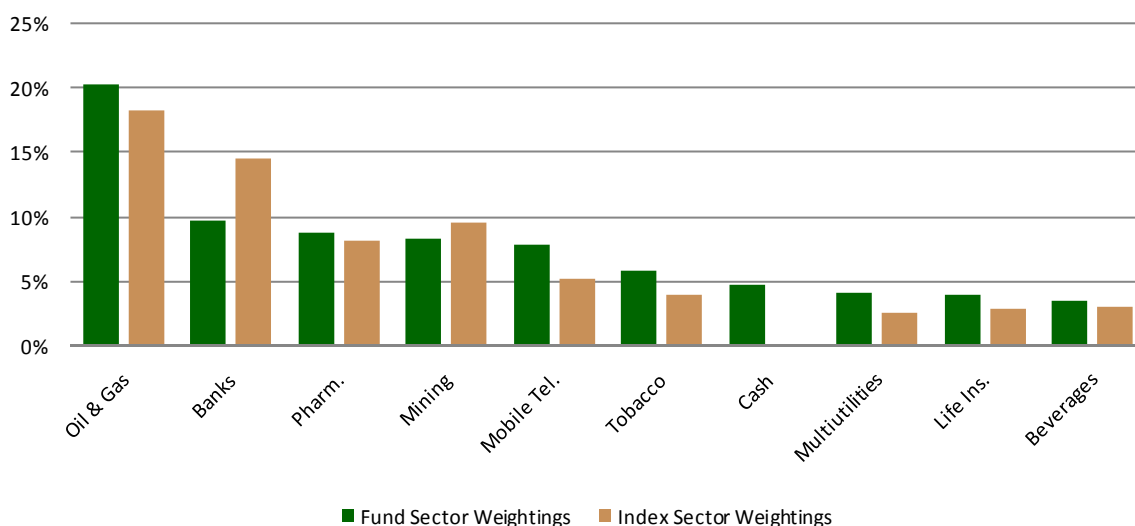
Company	Holding	Company	Holding
BP Plc	9.76%	BG Group Plc	0.82%
Vodafone Group Plc	8.31%	Man Group Plc	0.78%
HSBC Holdings Plc	6.69%	Rolls-Royce Group Plc	0.71%
Royal Dutch Shell Plc-A Shs	5.68%	RSA Insurance Group Plc	0.61%
GlaxoSmithKline Plc	4.91%	Old Mutual Plc	0.59%
BHP Billiton Plc	4.63%	British Sky Broadcasting Group	0.58%
Royal Dutch Shell Plc-B Shs	4.09%	Sainsbury (J) Plc	0.55%
AstraZeneca Plc	3.90%	Pearson Plc	0.52%
British American Tobacco Plc	3.89%	Legal & General Group Plc	0.51%
Rio Tinto Plc	2.42%	Cadbury Plc	0.45%
Tesco Plc	2.08%	Land Securities Group Plc	0.44%
Diageo Plc	2.04%	Compass Group Plc	0.43%
National Grid Plc	1.96%	United Utilities Group Plc	0.43%
Unilever Plc	1.89%	Standard Life Plc	0.42%
Imperial Tobacco Group Plc	1.82%	Eurasian Natural Resources	0.40%
Standard Chartered Plc	1.60%	British Land Co Plc	0.39%
BT Group Plc	1.40%	Wm Morrison Supermarkets	0.39%
SABMiller Plc	1.39%	Cable & Wireless Plc	0.39%
Barclays Plc	1.35%	Kingfisher Plc	0.38%
Reckitt Benckiser Group Plc	1.30%	WPP Plc	0.37%
Centrica Plc	1.30%	Reed Elsevier Plc	0.37%
Scottish & Southern Energy	1.29%	Anglo American Plc	0.37%
Prudential Plc	1.20%	Xstrata Plc	0.36%
Aviva Plc	1.10%	International Power Plc	0.34%
BAE Systems Plc	1.06%	Carnival Plc	0.32%

Fund Size: £1,293,696

Number of Holdings: 89

## Sector Weightings

### Top 10 Sector Weightings



## Sector

IMA Sector	UK All Companies
Benchmark	FTSE 350 Index

## Website

Fund Website	<a href="http://www.themunrofund.com">www.themunrofund.com</a>
Prices	<a href="http://www.themunrofund.com/0603_prices.html">www.themunrofund.com/0603_prices.html</a>

## Dealing

Please call: 020 7131 4223

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